

The MILLER- PLATTS FOCUS Act – H.R. 2377

Focus On Committed and Underpaid Staff for Children's Sake Act

Background: High quality child care can play an important role in healthy child development and school readiness. One of the most important components of high quality child care is an educated and stable workforce. According to the Department of Labor, the average wage for a child care provider is \$8.16 an hour or \$16,980 per year. Despite the important role child care providers play in early childhood development and learning, child care providers earn less than bus drivers (\$29,430), barbers (\$21,190), and janitors (\$19,800). In addition, most providers do not receive health benefits or paid sick days, and the turnover rate in the child care field is as high as 30 percent. But offering better compensation to attract and retain high quality staff requires child care programs to charge higher fees that many parents would not be able to afford. If we want all children to start school ready to succeed, we must act improve the quality of the child care workforce.

The FOCUS Act: The purpose of the FOCUS Act is to establish a Child Care Provider Retention and Development Grant Program, a Child Care Provider Scholarship Program, and to improve access to health coverage by child care workers and their dependents in order to attract and retain committed, quality child care providers. Stipends to qualified child care staff based on the level of education, and scholarships for continuing education will help attract new qualified workers to the field, increase the retention and skill level of current workers, and increase the qualifications of the child care workforce. State models of this type of program have shown great success.

Child Care Provider Retention and Development Grant Program: The FOCUS Act provides grants to states to supplement the wages of full-time child care workers who have a child development associate (CDA) credential by at least \$1,000. A child care worker who has a Bachelors Degree in child development or early child education shall receive a grant of at least twice as much as grants made to providers who have an Associates Degree in the area of child development or early child education. Grants to providers with an AA degree shall be at least 150 percent of grants made to those with a CDA. States shall provide grants in progressively larger dollar amounts to child care providers to reflect the number of years worked as a child care provider.

Child Care Provider Scholarships: The FOCUS Act provides grants to states for child care providers, who have been employed for at least a year in the child care field, for improving their education and training in early childhood education. The maximum grant is \$1,500, to further staff education and training. FOCUS Act scholarships are not counted against other federal education aid.

Health Care Coverage for Child Care Providers: The FOCUS Act provides grants to states to provide better access to health coverage for child care workers. States retain a great deal of flexibility in determining how they will improve access to health care and health coverage by child care providers.

Funding:

For FY2004, the FOCUS Act authorizes \$500 million for wage and scholarship initiatives and \$200 million for health care initiatives. Such sums are authorized for fiscal years 2005-2008.

Of the \$500 million for wage and scholarship initiatives, 67.5 percent is for grants to attract and retain a quality child care workforce and 22.5 percent is for scholarships to promote a child care workforce better educated on childhood development.

Set-aside: 3 percent for Indian Tribes and tribal organizations

Funding formula: Based on the number of children under age 5 and the percentage of children receiving free or reduced price lunches. Increasing state match each year starting at 10% and moving to 25%.